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September 1, 2006

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RECEIVED

SEP 05 2006

PUBLIC SERVICE
COMMISSION

Beth O'Donnell
Executive Director
Public Service Commission
211 Sower Blvd., PO Box 615
Frankfort, KY 40602

Re: *Petition of SouthEast Tel., Inc., for Arbitration of Certain Terms and Conditions of Proposed Agreement with BellSouth Telecommunications, Inc. Concerning Interconnection Under the Telecommunications Act of 1996, Case No. 2006-00316*

Dear Ms. O'Donnell:

I am writing on behalf of SouthEast Telephone, Inc. ("SouthEast") to clarify certain matters in SouthEast's June 22, 2006 arbitration petition ("*Petition*"), and to address issues relating to the parties' agreed-upon schedule in this proceeding, as transmitted by letter dated Aug. 23, 2006 from Mary K. Keyer of BellSouth ("*Scheduling Letter*").

The *Scheduling Letter* provides that the parties may submit data requests to one another by Sept. 15, and that responses will be due on Sept. 29. SouthEast anticipates that, once it receives information from BellSouth, it will offer modifications to a number of the specific proposals in the *Petition*. In particular, SouthEast anticipates that, based on the information it receives from BellSouth, it may modify its positions with regard to Issues A-2 (deaveraged zone rates for voice-grade loops), A-3 (rates for the "port" component of the platform combination of elements), and A-4 (the "adjacent meet point" form of collocation). SouthEast anticipates presenting such modified positions (if such modifications are necessary) in conjunction with its Direct Testimony to be filed on Oct. 27, 2006 pursuant to the *Scheduling Letter*.

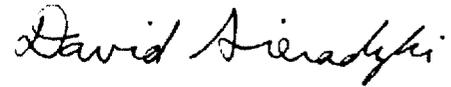
Moreover, the Commission recently stated that "if SouthEast or BellSouth believes that the rate of TELRIC plus \$1 is inappropriate, it needs to provide justification to the Commission for rates that it believes are appropriate" for the platform combination of elements. *SouthEast Tel., Inc., Complainant, v. BellSouth Tel., Inc., Defendant*, Case Nos. 2005-00519 and 2005-00533, *Order* at p.12 (Aug. 16, 2006). In the instant proceeding, SouthEast intends to provide justification for the rates that it believes are appropriate in conjunction with its Direct Testimony to be filed on Oct. 27, 2006. The Commission also urged SouthEast and BellSouth to

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“continue negotiating an appropriate prospective rate.” *Id.* SouthEast is willing to continue negotiating with BellSouth regarding this issue.

Please contact me if you have any questions.

Respectfully submitted,

A handwritten signature in cursive script that reads "David Sieradzki".

David L. Sieradzki
Counsel for SouthEast Telephone, Inc.

cc: Amy E. Dougherty
Mary K. Keyer
Andrew D. Shore
Darrell Maynard